

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **September 29, 2017 (September 26, 2017)**

Vanguard Natural Resources, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-33756
(Commission File Number)

80-0411494
(IRS Employer Identification
No.)

5847 San Felipe, Suite 3000
Houston, Texas 77057
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(832) 327-2255**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On September 28, 2017, Vanguard Natural Resources, Inc. (the “Company”) received written notice that the Company's common stock had been approved for trading on OTCQX, the highest tier of the OTC Markets, under the symbol “VNRR.”

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation of Richard A. Robert and Appointment of Richard Scott Sloan

On September 26, 2017, Richard A. Robert, the Executive Vice President and Chief Financial Officer of the Company notified the Company of his decision to resign, effective immediately. Mr. Robert’s decision to resign was not related to a disagreement with the Company over any of its operations, policies or practices. In connection with the foregoing, Mr. Robert has also resigned from the Board of Directors of the Company (the “Board”). Mr. Robert will receive the payments set forth in the Second Amended and Restated Employment Agreement, dated August 1, 2017, between Mr. Robert and the Company, a copy of which is filed as Exhibit 10.10 to the Form 8-K filed on August 2, 2017 (“Robert Agreement”) and is incorporated herein by reference. In connection with his departure, Mr. Robert’s non-competition provision under the Robert Agreement has been reduced from 6 months to three months. On September 29, 2017, the Company issued a press release announcing Mr. Robert’s resignation from his positions with the Company, a copy of which is filed as Exhibit 99.1 to this Current Report on Form 8-K.

On September 27, 2017, the Company appointed Richard Scott Sloan as the Company’s Executive Vice President and Chief Financial Officer (“CFO”).

Mr. Sloan, age 53, has served on the Board since August 1, 2017 and will continue do so following his appointment as CFO. Mr. Sloan was a member of the Compensation Committee of the Board and the chairperson of the Audit Committee of the Board until he stepped down from these positions in connection with his appointment as CFO on September 27, 2017.

Most recently, from 2015 to 2016, Mr. Sloan oversaw strategic planning, new business development, and oil and gas marketing for Hess Corporation, as its Senior Vice President, Strategy, Commercial and Global New Business Development. Previously, Mr. Sloan held various senior leadership positions over his 25 year career at BP, including President of BP Russia, Director of M&A, and several regional Chief Financial Officer roles. Mr. Sloan also held board positions with TNK Holdings, Slavneft, Rusia Petroleum, In Salah Sales, and Medgaz. He received his BA in Economics from Colgate University and MBA in Corporate Finance from the University of Chicago.

On September 27, 2017, the Company entered into a letter agreement with Mr. Sloan (the "Letter"). The Letter contemplates that the Company will enter into an employment agreement ("Employment Agreement") with Mr. Sloan that is substantially similar to the form of employment

agreement for the Company's other senior executives as soon as practicable following the date thereof. As contemplated by the Letter the Employment Agreement will provide for: (i) an annual target bonus of at least 80% of Mr. Sloan's base salary, subject to achievement of applicable performance goals, (ii) an initial award under the Company's Management Incentive Plan with a grant date value that is at least 50% of grant date value of the award that is granted to the Company's Chief Executive Officer ("CEO"), (iii) a "good reason" definition that includes the failure of the Company to implement each of a cash bonus and equity incentive plan that is broadly competitive with the Company's oil and gas peer companies by April 1, 2018, and (iv) a change in control severance provision pursuant to which, upon an a termination without "cause" or Mr. Sloan's resignation for "good reason," in each case following a change in control, (x) Mr. Sloan's unvested equity awards will immediately vest and (y) Mr. Sloan will receive a severance package consistent with the change in control payments and benefits provided to the CEO, provided that in the event that such a termination occurs in 2018, the severance payment will be equal to two times the sum of his base salary and target bonus amount.

Pursuant to the Letter, Mr. Sloan will receive an annual base salary of \$510,000, and he will be guaranteed a minimum bonus of \$127,500 with respect to his employment in 2017. In the event that Mr. Sloan's employment is terminated by the Company without cause or Mr. Sloan

resigns for good reason, other than in connection with a change in control, he will receive a lump-sum severance payment equal to no less than 30 months of his base salary.

The foregoing description is qualified in its entirety by reference to the full text of the Letter, which is attached as Exhibit 10.1 and incorporated herein by reference.

Mr. Sloan does not have any family relationships with any of the Company's directors or executive officers, and he is not a party to any transactions listed in Item 404(a) of Regulation S-K.

Election of Randall Mark Albert as Director

On September 26, 2017, pursuant to a written consent of stockholders, the stockholders of the Company owning approximately 51% of the issued and outstanding shares of common stock entitled to vote thereon, elected Randall Mark Albert to fill the vacancy created by Mr. Robert's resignation, effective immediately following Mr. Robert's resignation. Mr. Albert was appointed to serve as a member of the Board's Compensation Committee.

In consideration for his service on the Board, in accordance with the Board's compensation policy for non-employee directors, Mr. Albert will receive (i) an annual cash retainer of \$100,000, which will be paid quarterly in arrears and (ii) an annual equity grant of restricted stock units with a \$100,000 grant date value that vests ratably on the first four anniversaries of the grant date, provided, however, that (a) the initial grant will be made as soon as possible following the Board's adoption of form of award agreements under the management incentive plan and (b) 25% of the initial grant will vest immediately, with the remainder vesting ratably on the first three anniversaries of the grant date.

There is no arrangement or understanding between Mr. Albert and any other persons pursuant to which he was selected as a director. Mr. Albert has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Item 5.03. Amendments to the Articles of Incorporation or Bylaws; Change in Fiscal Year.

On September 26, 2017, the Company adopted an amendment to its Certificate of Incorporation to limit the ability of J.P. Morgan Securities LLC and its affiliates, collectively ("JPM"), to vote equity securities of the Company representing, in aggregate, greater than 4.99% of the total combined voting power of any class of equity securities of the Company entitled to

vote on any matter, rendering any “excess” shares non-voting. To the extent that JPM holds any “excess shares,” the amendment would result in a decrease in the voting power of JPM and an increase on the voting power of all other holders. This amendment was requested by JPM to facilitate its regulatory compliance, and the consent was signed by JPM. The Company received the approval of approximately 55% of its issued and outstanding shares of common stock for the amendment to its Certificate of Incorporation. The amendment was effective and filed with the Secretary of State of Delaware on September 29, 2017.

A copy of the Certificate of Amendment is attached hereto as Exhibit 3.1 and incorporated herein by reference.

Item 5.07. Submission of Matters to a Vote of Security Holders.

Amendment to Certificate of Incorporation

The information disclosed under Item 5.03 of this report is incorporated by reference into this Item 5.07.

Election of New Director

The information disclosed under Item 5.02 of this report is incorporated by reference into this Item 5.07. In connection with the election of Randall M. Albert as a director of the Company, the Company received the written consent of a majority of its stockholders, owning approximately 51% of the issued and outstanding shares of the Company’s common stock, electing Mr. Albert.

Item 8.01. Other Events

On September 29, 2017, the Company issued a press release announcing, among other things, the listing of the Company’s common stock on OTCQX, Mr. Albert’s appointment to the Board, Mr. Sloan’s appointment as CFO and Mr. Robert’s resignation, a copy of which is filed as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

| Exhibit Number | Description |
|----------------|--|
| 3.1 | Certificate of Amendment as filed with the Delaware Secretary of State |
| 10.1 | Letter to Richard Scott Sloan, dated September 27, 2017 |
| 99.1 | Vanguard Natural Resources, Inc.'s press release dated September 29, 2017. |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**VANGUARD NATURAL RESOURCES,
INC.**

By: /s/ Scott W. Smith

Name: Scott W. Smith

Title: Executive
Vice
President
and Chief
Financial
Officer President and CEO

Dated: September 29, 2017

(Principal
Financial
Officer and
Principal
Accounting
Officer)

**CERTIFICATE OF AMENDMENT OF
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
VANGUARD NATURAL RESOURCES, INC.**

I, Scott W. Smith, being an authorized officer of Vanguard Natural Resources, Inc., a corporation organized and existing under the laws of the State of Delaware (the “Corporation”), do hereby certify as follows:

FIRST: The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of Delaware on May 13, 2009 under the name VNR Finance Corp.

SECOND: The name of the Corporation was amended to Vanguard Natural Resources, Inc. on July 21, 2017, pursuant to Section 241 of the General Corporation Law of the State of Delaware (“DGCL”).

THIRD: The Amended and Restated Certificate of Incorporation was filed with the Secretary of State of Delaware on August 1, 2017.

THIRD: The Amended and Restated Certificate of Incorporation of the Corporation is hereby amended by adding the following text as a new Section 4.7:

“**Section 4.7 JPMS Voting Rights**. Notwithstanding anything contained in this Amended and Restated Certificate of Incorporation to the contrary, J.P. Morgan Securities LLC (“JPMS”) and its affiliates, collectively, shall not be entitled to vote, directly or indirectly, equity securities of the Corporation representing, in aggregate, greater than 4.99% of the total combined voting power of any class of equity securities of the Corporation entitled to vote on any matter (any equity securities held by JPMS and its affiliates, collectively, in excess of such 4.99% limitation, the “Excess Voting Stock”). For the avoidance of doubt, if JPMS or any of its affiliates shall transfer any Excess Voting Stock to any other person that is not an affiliate of JPMS, the limitation set forth in this Section 4.7 shall no longer apply to such Excess Voting Stock. Excess Voting Stock may only be transferred by JPMS or any of its affiliates: (i) among or between JPMS and its affiliates; (ii) in a widespread public distribution; (iii) in transfers in which no

transferee (or group of associated transferees) would receive from JPMS and its affiliates in such sale or transfer two percent (2%) or more of any class of voting securities of the Corporation; (iv) to an underwriter for the purpose of conducting a widespread public distribution of the voting securities of the Corporation, (v) to the Corporation, or (vi) to a transferee that would control more than fifty percent (50%) of the voting securities of the Corporation without any transfer of Excess Voting shares from JPMS or its affiliates.”

IN WITNESS WHEREOF, the undersigned, for the purpose of amending the Amended and Restated Certificate of Incorporation of the Corporation pursuant to the DGCL, under penalties of perjury does hereby declare and certify that this is the act and deed of the Corporation and the facts stated herein are true, and accordingly has hereunto signed this Certificate of Amendment to the Amended and Restated Certificate of Incorporation this 29 day of September 2017.

/s/ Scott W. Smith

Name: Scott W. Smith

Title: President and CEO

[Signature Page to Amendment to Amended and Restated Certificate of Incorporation]



September 27, 2017

Dear Scott,

This letter confirms our understanding regarding the terms of your offer to join Vanguard Natural Resources, Inc. (the "Company") as EVP and Chief Financial Officer. Your initial base salary will be \$510,000 per annum. For 2017 you will be guaranteed a minimum bonus of \$127,500 (representing 25% of your base salary). You will be also eligible for 8 days of paid vacation in 2017.

The Company intends to offer you a form of employment agreement for your consideration that will be substantially similar to the form of employment agreement provided to other senior executives (the "Employment Agreement"). You will also be eligible for benefits that are comparable to those provided to other senior executives generally. The Company is in the process of developing and implementing an annual and a long-term incentive program, in which you will be eligible to participate on terms and conditions that are no less favorable than those offered to other senior executives (other than the value of the applicable award, which will be based on comparable values provided by peer companies for your position and/or consistent with the terms outlined below). In the event that your employment is terminated by the Company without "cause," or by you for "good reason," (other than in connection with a change of control, as set forth below) you will receive a lump-sum severance equal to no less than thirty months of base salary and your unvested equity grants will vest consistent with the applicable award agreements.

Notwithstanding the previous statements the Company commits to deliver the following:

- Annual Cash Bonus. From 2018 onwards, your target annual cash bonus will be at least 80% of base salary, subject to your achievement of applicable performance goals.
- Initial Award under Management Incentive Plan ("MIP"). You will be eligible to receive an initial award under the MIP that is at least 50% of the award granted to the Company's

CEO.

- Change of Control. If a change of control occurs and you are terminated by the Company without “cause” or you resign for “good reason” then:
 - o the MIP awards shall immediately vest;
 - o in the event that such termination occurs in 2018, you will receive a change of control severance payment equal to 2 times the sum of your base salary and target bonus amount (less applicable withholding). In the event that such termination occurs in 2019 or thereafter, your change in control severance payment shall be consistent with the change in control severance payments and benefits provided to the Chief Executive Officer as of the date hereof; and
 - o the non-compete period shall be 6 months.
- Good Reason. Good reason will include, without limitation, the failure of the Company to implement cash bonus and equity incentive plans that are broadly competitive with the Company’s oil and gas peer companies by April 1, 2018.

You will also be entitled to defense and indemnification for any claims or liabilities arising out of or relating to your services consistent with the indemnification contained in your Director Indemnification Agreement, dated August 1, 2017.

The parties agree to work in good faith and with reasonable efforts to memorialize the foregoing terms in the Employment Agreement as soon as practicable after the date hereof.

Upon your appointment as the EVP and Chief Financial Officer, you agree to resign as the Chairman of the Audit Committee and to step down from the Compensation Committee. The Company acknowledges the outstanding equity award and cash payment for service as director from August 1, 2017 through the date hereof.

Please confirm your acceptance to the foregoing by signing below.

Sincerely,
/s/ Joseph Citarrella

Joseph Citarrella

Agreed
/s/ R. Scott Sloan

R. Scott Sloan



NEWS RELEASE

Vanguard Natural Resources, Inc. Announces Engagement of Jefferies LLC, Effectiveness of OTCQX Listing, and Management and Board Changes

Houston – September 29, 2017 – (PR NEWswire) - Vanguard Natural Resources, Inc. (the “Company”) today announced a number of steps in its ongoing plan to maximize shareholder value and position the Company for long-term success. These include the retention of a financial advisor, listing on the OTCQX Market, and changes to the board of directors and management team.

Engagement of Jefferies

The board of directors of the Company (the “Board”) has retained Jefferies LLC (“Jefferies”) to advise its Strategic Opportunities Committee (the “Committee”), which is responsible for overseeing the ongoing strategic review of the Company’s asset base and development plans. Jefferies has been retained to advise the Company in connection with one or more potential strategic transactions, including possible sales or dispositions of assets, joint ventures, strategic partnerships or other similar transactions.

In conjunction with the assignment, Jefferies will work closely with the Committee and Board to design and help implement the Company’s go-forward strategy and pursue certain targeted objectives to maximize shareholder value, including to:

- Reduce financial leverage, expand access to capital, and maximize flexibility to execute on high rate of return growth opportunities;
- Simplify and refocus the existing asset base;
- Assess and pursue attractive organic development opportunities within the portfolio; and
- Evaluate certain other potential strategic alternatives.

There is no assurance that the review by the Board and its Committee will result in any particular transactions, and no decisions have been made on the timing or terms of any such transactions. The Company does not expect to provide updates with respect to this review unless or until it determines that further disclosure is appropriate.

The Company also announced that its common stock will begin trading over-the-counter today on the OTCQX Market under the symbol VNRR. The OTCQX is the premier marketplace on OTC Markets Group's highly visible electronic trading venue in the United States.

Scott W. Smith, President and Chief Executive Officer of the Company, commented "Listing on the OTCQX represents an important corporate milestone, and we expect to enhance trading liquidity and expand the pool of potential investors as a result."

Appointment of Richard Scott Sloan as Executive Vice President and Chief Financial Officer

Effective immediately, Richard Scott Sloan will serve as Executive Vice President and Chief Financial Officer of the Company. Mr. Sloan will remain on the Board, on which he has served since August 2017, but step down from his roles as chair of the Audit Committee and member of the Compensation Committee of the Board. Mr. Sloan previously held various senior leadership positions over his 27 year career at BP and Hess, including SVP Strategy, Commercial and New Business Development at Hess, and President of BP Russia, Director of M&A, and several regional Chief Financial Officer roles at BP. He received his BA in Economics from Colgate University and MBA in Corporate Finance from the University of Chicago.

Joseph Citarrella, Chairman of the Board, remarked "Scott is a seasoned financial executive with an accomplished career in the oil and gas industry. He has rapidly proven himself as an invaluable voice on Vanguard's Board, and having held numerous senior leadership positions at BP through the course of a distinguished tenure, he is particularly well-equipped to work alongside our senior executive, operations and finance teams to develop and implement the Company's business strategy and growth plans."

Mr. Sloan's appointment follows Richard A. Robert, Vanguard's Executive Vice President and Chief Financial Officer's notification to the Company on September 26, 2017 of his decision to resign, effective immediately. Mr. Robert's resignation, and related departure from the Board, did not result from a disagreement with the Company on any matter relating to its operations, policies or practices, including its accounting, internal controls or financial reporting matters.

Mr. Citarrella noted, "On behalf of the entire Board, I would like to thank Richard for his dedication and many years of service, especially during a critical time for the Company as it emerged from its Chapter 11 reorganization. He was a valued member of the management team and we wish him every success in his future endeavors."

Richard A. Robert said, "I am honored to have had the opportunity to help the organization through its successful financial restructuring, and assist in positioning the Company for future success. I wish my colleagues the best of luck going forward."

Election of New Director

On September 26, 2017, Randall M. Albert was elected by the stockholders of the Company to join the Board, filling the vacancy created by Mr. Robert's resignation. Mr. Albert will stand for reelection at the Company's next Annual Meeting of Stockholders.

"We are very excited to welcome Randy to the Board," said Mr. Citarrella, adding "Randy's extensive oil and gas operating expertise will be a tremendous asset to the Company and its shareholders going forward."

Mr. Albert most recently retired from CONSOL Energy after a 34 year career, last serving as Chief Operating Officer-Gas. During his time at CONSOL, Mr. Albert led the rapid development of CONSOL Energy's Marcellus Shale and emerging Utica Shale programs. Mr. Albert also currently serves as an independent Director of Eclipse Resources and Non Executive Board Member at Wellsite Rentals, and is the immediate past Chairman of the Marcellus Shale Coalition and a Member of the Virginia Tech Mining and Minerals Engineering Advisory Board. Mr. Albert holds a BS in Mining Engineering from Virginia Tech, where in 2016 he was inducted into the Virginia Tech Academy of Engineering Excellence, the highest honor bestowed on College of Engineering graduates.

About Vanguard Natural Resources, Inc.

Vanguard Natural Resources, Inc. is an independent oil and gas company focused on the acquisition, production and development of oil and natural gas properties. Vanguard's assets consist primarily of producing and non-producing oil and natural gas reserves located in the Green River Basin in Wyoming, the Permian Basin in West Texas and New Mexico, the Gulf Coast Basin in Texas, Louisiana, Mississippi and Alabama, the Anadarko Basin in Oklahoma and North Texas, the Piceance Basin in Colorado, the Big Horn Basin in Wyoming and Montana, the Arkoma Basin in Arkansas and Oklahoma, the Williston Basin in North Dakota and Montana, the Wind River Basin in Wyoming, and the Powder River Basin in Wyoming. More information on Vanguard can be found at www.vnrenergy.com.

Forward-Looking Statements

We make statements in this news release that are considered forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended. These forward-looking statements are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and

assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management's assumptions about future events may prove to be inaccurate. Management cautions all readers that the forward-looking statements contained in this news release are not guarantees of future performance, and we cannot assure you that such statements will be realized or the forward-looking events and circumstances will occur. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to factors listed in the "Risk Factors" section in our SEC filings and elsewhere in those filings. All forward-looking statements speak only as of the date of this news release. We do not intend to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise.

SOURCE: Vanguard Natural Resources, Inc.

Vanguard Natural Resources, Inc.

Lisa A. Godfrey, (832) 399-3820

Vice President, Investor Relations

ir@vnrenergy.com